

ANOKA COUNTY FINANCE AND CAPITAL IMPROVEMENTS COMMITTEE

and Meeting of the Anoka County Board of Commissioners**

Commissioners Look (Chair), Braastad, Reinert, Jeppson

July 18, 2023 - 1:00 P.M.

Anoka County Government Center – Room 710

2100 3rd Avenue N

Anoka, MN 55303

1. Public comments: Public comments are welcome at this time. In consideration of others wishing to speak, please limit comments to 2 minutes. Questions directed to the committee will not be answered immediately; however, whenever possible, all appropriate questions will be responded to in a timely and effective manner by county staff.
2. Consider for information purposes, the Johnsville Library land negotiations with the City of Blaine.
3. Consider recommending the County Board approve Contract #C0010157 with N. Harris Computer Corporation, 1 Antares Drive, St 400, Ottawa, Ontario K2E 8C4, for the expansion and integration of iNovah cashiering and enterprise revenue management system with the new Workday Financial System, in an amount not to exceed \$740,000 which includes a \$23,500 contingency - **See attached** action worksheet.
4. Consider recommending the County Board increase the imprest cash fund for the St Francis Library for \$50.00, bringing their total imprest balance to \$170.00 - **See attached** action worksheet.
5. Consider for information purposes, the Investment Report for the quarter ended June 30, 2023 – **See attached** information worksheet.

*** Actions taken by this Committee do not bind the County Board. In addition to the County Commissioners appointed to this committee, additional County Commissioners may attend. Non-committee Commissioners may choose to participate in the discussions and/or ask questions, but they will not vote on any item, nor will they agree to take a specific action on business conducted by the committee. If their attendance and limited participation in the committee meeting is considered a meeting of the County Board, this shall serve as notice of a County Board meeting. This shall also serve as notice of a County Board Meeting for any committee comprised of four or more members of the board.*



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

ACTION ITEM

July 18, 2023

Finance & Central Services

ACTION REQUESTED	Consider recommending the county board approve Contract #C0010157 with N. Harris Computer Corporation, 1 Antares Drive, St 400, Ottawa, Ontario K2E 8C4 in an amount not to exceed \$740,000, which includes a \$23,500 contingency, for the expansion and integration of iNovah cashiering and enterprise revenue management system with the new Workday financial system.
BACKGROUND	<p>Since 2016, the County has been using the iNovah product as the cashiering system in our License Centers and Surveyor's office under contract C0004446, and in 2021 amended the contract to add integrated iNovah over-the-counter credit card devices for the License Centers.</p> <p>During demonstrations for the new Finance ERP system, none of the vendors demonstrated had an enterprise revenue management and cashiering system that would meet the full receipting needs of the County, requiring either the acquisition of another system or an expansion of iNovah.</p>
SOLUTIONS	<p>iNovah is currently live and used in our License Centers and Surveyor's office, with an on-premise hosted solution. Since a cashiering and enterprise revenue management system was needed it was determined that electing to expand the use of iNovah vs. acquiring a new product made the most sense from the overall project perspective.</p> <p>During discussions with the vendor, it was also discovered that they had available a cloud-hosted solution. When looking at the options of continuing with the on-premise hosted solution vs. moving to the cloud-hosted solution the decision was made that the move to the cloud-hosted solution aligned more closely to the goals of the overall Finance and eProcurement project.</p>
CONCLUSION	<p>The iNovah contract is for a five (5) year contract term with an option for one, two (2) year renewal.</p> <p>The integration portion of the project is milestone based and will be paid on the completion of project deliverables.</p>
FUNDING	Funding of up to \$294,100 will be provided within the Project CEP with the remainder of the contract, not to exceed \$422,400, for subscription and hosting fees paid for within the annual operating budget beginning in 2024.



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

ACTION ITEM

July 18, 2023

Finance & Central Services

ACTION REQUESTED	Consider recommending the County Board increase the imprest cash fund for the St. Francis Library for \$50.00, bringing their total imprest balance to \$170.00.
BACKGROUND	The St. Francis library requires more cash available in the change drawer to effectively make change for patrons without needing to go to the bank to get smaller bills as frequently. .
CONCLUSION	Approve the increase of \$50.00 to the imprest cash funds (petty cash) for St. Francis Library to allow them to serve the needs of patrons.
RECOMMENDATIONS	Consider recommending the County Board increase the imprest cash fund for the St. Francis Library for \$50.00 bringing their total imprest balance to \$170.00.



FINANCE & CAPITAL IMPROVEMENTS COMMITTEE

INFORMATIONAL ITEM

July 18, 2023

FINANCE & CENTRAL SERVICES

ACTION REQUESTED	Consider for informational purposes, the Investment Report for the quarter ended June 30, 2023.
BACKGROUND	Attached is the June 30, 2023, investment update per the request of the Committee. The amounts shown are year-to-date for 2023.



MEMORANDUM

DATE: July 18, 2023

TO: Commissioner Matt Look
Chair, Finance & Capital Improvements Committee

FROM: Cory Kampf, F&CS Division Manager

SUBJECT: 2023 2nd Quarter Investment Update

The Finance Committee has requested receiving information on investments on a periodic basis.

For the Quarter-ended June 30, 2023, the County had investments totaling \$658.93 million. Within the investment management system, we have broken down our investments into portfolios, which are defined below:

- **Investment Manager – RBC:** Represents funds managed by RBC.
- **MAGIC Fund:** Represents short-term CD's, Term Notes, and liquid funds.
- **OPEB Irrevocable:** Investments with State Board of Investments (SBI) tied to our Retiree Health Care Liability.
- **US Bank - Fixed Income:** Represents portfolio managed internally.
- **US Bank – Liquid Assets:** Represents short-term liquid funds.
- **Wells Fargo – Sweep:** Represents short-term overnight funds associated with main checking account.

Investing Strategy

The County's investing strategy focuses on safety, liquidity, and then yield. The yield is impacted by the constraints of the fixed income market and is secondary to maintaining safety in the investments chosen and the liquidity needed to manage operations. We strive for the best yield possible using a ladder maturity philosophy. At the end of June, we had \$152 million in liquid assets, which included the July 2nd tax distribution of \$121 million.

Anoka County Summary of Investments by Portfolio – June 30, 2023

Description	Beginning Face Amount/Shares	Ending Face Amount/Shares	Buy Principal	Sell Principal	Interest Earned During Period-Book Value	Realized Gain/Loss-Book Value	Investment Income-Book Value
Investment Manager - RBC Capital	41,392,199.67	41,619,180.52	6,620,668.68	6,094,583.43	531,309.75	(310,766.13)	220,543.62
MAGIC Fund	90,700,863.79	208,388,245.60	231,587,381.81	113,900,000.00	2,915,129.05	-	2,915,129.05
OPEB Irrevocable	85,787,095.08	100,259,988.66	16,862,445.03	(2,380,597.73)	789,141.72	-	789,141.72
US Bank - Fixed Income	287,457,225.39	300,737,472.71	65,887,672.34	52,692,228.96	2,891,727.68	(109,801.07)	2,781,926.61
US Bank - Liquid Assets	12,583,051.23	3,843,260.59	607,697,359.97	616,437,150.61	457,052.05	-	457,052.05
Wells Fargo - Sweep	2,585,697.22	4,086,234.59	46,426,885.94	44,926,348.57	66,860.75	-	66,860.75
Total / Average	520,506,132.38	658,934,382.67	975,082,413.77	831,669,713.84	7,651,221.00	(420,567.20)	7,230,653.80

Less OPEB Investment Income		(789,141.72)
Net Investment Income YTD	% of Budget as of 6.30.2023	98%
2023 Investment Income Budget		6,441,512.08
Investment Income (deficit) surplus YTD		6,600,000.00
		(158,487.92)

Portfolio Performance

Total investment income earned for the quarter ended totaled \$7.23M, with \$(420.6K) related to one time realized gain/losses due to regular activity by our RBC Capital Asset Manager \$(310.8K) and Internal activity (\$109.8K). The overall portfolio performance as of the Quarter ended June 30, 2023, is an average book yield of 2.61% compared with 2.09% on March 31, 2023, and 1.51% at the end of 2022. Short-term interest rates continued to rise due to the Federal Reserve actions that are designed to help dampen inflation. We continue to see some interest rate inversion along the yield curve, which is a little concerning. The OPEB Trust saw a 16.9% increase in its Market Value, even though there continues to be volatility in the equity markets.

See the chart below for a breakdown by Portfolio:

